

## **DHEC's Office of Solid Waste Reduction and Recycling**

## For Your Information...

## Pay-As-You-Throw

What is Pay-As-You-Throw?

In more than 2,000 communities across the country, a program called Pay-As-You-Throw (PAYT) is offering residents a more equitable way to pay for collection and disposal of their garbage. PAYT (also known as unit pricing or variable rate pricing) provides a direct economic incentive for residents to reduce the amount of waste they generate.

Traditionally, residents pay for garbage collection through property taxes or a fixed fee regardless of how much - or how little - waste they generate. Under PAYT, households are charged for waste collection based on the amount of waste they throw away in the same way they are charged for electricity, water and other utilities. As a result, residents are motivated to increase the amount they recycle and think about ways to generate less waste.

PAYT can be structured in several ways. Some communities charge residents based on volume - that is residents are charged for each bag or can of waste they generate. A smaller number of communities bill residents based on the weight of their trash. Either way, these programs are simple and fair. PAYT gives everyone a little extra push to prevent waste. While most people want less trash, a PAYT program helps connect their environmental concerns with their wallets.

The U.S. Environmental Protection Agency (U.S. EPA) supports PAYT because this approach to solid waste management offers the advantages of three inter-related components that are key to a successful local program.

## What are the advantages of PAYT?

PAYT provides environmental and economic advantages and equitable benefits for residents. Communities with programs in place have reported reductions in waste amounts ranging from 25 to 45 percent on average. This results in several important environmental benefits.

On average, less waste and greater recycling means that fewer natural resources are used, less energy is consumed and less pollution is created. In addition, landfill space is used at a slower rate, reducing the need to site additional facilities.

PAYT also can send an important source reduction message to product manufacturers. When individual consumers begin to understand that their trash costs money, they are likely to adjust their purchasing habits in favor

of products that will result in less waste and, therefore, cost less when discarded. As more communities adopt PAYT, manufacturers will have an incentive to redesign their products to appeal to this growing consumer preference.

There also are potential economic advantages both for communities and their residents. Well-designed programs can generate the revenue communities need to cover their solid waste management costs, including the cost of complementary recycling and composting programs. Because they often have more recovered materials and less waste to dispose, many communities with PAYT find that their disposal costs go down. PAYT also can provide savings in waste transportation expenses and potentially greater revenues from the sale of collected recyclables.

In addition, while they may not realize it, residents pay to throw away trash. Whether they pay through taxes or a flat fee, those individuals that generate less and recycle more are paying for neighbors that generate two or three times as much waste. PAYT is an equitable system of paying for garbage disposal.

PAYT is not necessarily an easy program to start.

There are several obstacles to overcome when setting up a program. First, it is always difficult to change from a traditional system to something that is new. Most residents don't know how they pay or how much they pay for garbage collection. Suddenly there will be a direct cost. Communication and education are the keys in making residents aware of the cost-savings and environmental benefits of PAYT.

Others, particularly lower-income residents, worry about how much they will have to pay for PAYT. Many communities have offered coupon or voucher program to help reduce collection costs for these households.

Finally, local officials often are concerned about the prospect of illegal dumping. Most communities with PAYT have found that illegal dumping did not increase after implementation. This is especially true when communities offer their residents recycling, composting and other programs that allow individuals to reduce waste legally.



Currently there are two communities in South Carolina practicing PAYT.

Darlington County implemented a successful bag program in 1994 and, in 2000, the City of Chester started a program using different size containers.

How can you find more information on PAYT?

DHEC's Office of Solid Waste Reduction and Recycling is working in partnership with the

Recycling Market Development Advisory Council, located at the S.C. Department of Commerce, to promote PAYT in South Carolina. If you are interested in PAYT in South Carolina or thinking about starting a program, please call DHEC's Recycling Hot Line at **1-800-768-7348**.

DID YOU KNOW? You can visit the U.S. EPA's Web site for more information about PAYT. The site contains detailed information about programs, articles, success stories, research and more. The Web address is www.epa.gov/epaoswer/non-hw/payt/index.html. The U.S. EPA has developed a guidebook, "Pay-As-You-Throw: Lessons Learned About Unit Pricing." This guidebook contains background information on the advantages of PAYT and detailed information on how these programs work. To order a copy, call the EPA at 1-800-424-9346 or 1-800-553-7672 for the hearing impaired.





Office of Solid Waste Reduction and Recycling 1-800-768-7348

www.scdhec.net/recycle

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